

**MAYOR AND CITY COUNCIL
CITY OF SEAT PLEASANT
REGULAR WORK SESSION
MONDAY, MAY 7, 2018
6:00P.M.**

1. OPENING

1.1.1 Call to Order

Council President Yeargin called the meeting to order at 6:03p.m.

1.1.2 Roll Call

Present: Mayor Eugene Grant, Councilmember Charl Jones(Absent), Councilmember Hope Love, Councilmember Lamar Maxwell (Absent), Councilmember Shireka McCarthy, Councilmember Kelly Porter, Councilmember Gloria Sistrunk, Councilmember Reveral Yeargin

Staff: Weyimi Ayu, Director of Economic Development, Dashaun N. Lanham, City Clerk, Diamond Plater, Council Clerk, Jeannelle B. Wallace, City Administrator

1.1.3 Invocation and Pledge of Allegiance:

The invocation was given by Councilmember Sistrunk

1.1.4. Approval of Agenda

It was motioned by Councilmember Jones and seconded by Councilmember Sistrunk to approve the agenda.

2. PRESENTATIONS:

2.1. FY2018-2019 Budget Amendment Request, Mayor Eugene W. Grant

- Mayor Grant informed the City Council of the meeting with the County Council to request funding in the budget to support ten municipalities to subscribe the Seat Pleasant CGS. The connection fee per subscription is \$60,000 and the yearly cost is \$65,000 per subscription.
- The Mayor of Dumfries, VA has expressed an interest in joining the Seat Pleasant CGS. The City will be scheduling a meeting with him to discuss the CGS.
- Mayor Grant stated that there is an addendum to be included in the Proposed budget to increase the Administrative Assistant position to \$45,000 in Public

Engagement. We are proposing moving the current Human Resources Director to the new position Operations Manager.

- Mayor Grant read the proposed job description for the Operations Manager. The reason for this change is the move Mr. Biddiex into the position due to him graduating on Saturday, May 19, 2018 with a Master Degree in Human Resources. The position will start at \$55,000 and the city reimbursed or paid for part of his tuition.
- This is not a demotion for Mrs. Barber it is more of a promotion as this is a Manager position. She will still be doing some of the duties that she's currently doing except those of Human Resources.
- The position for Finance of Accounting Assistant will be to assist the City Treasurer in the absence of Mr. Biddiex.
- It was motioned by Councilmember Jones and seconded by Councilmember Love to accept the recommended Budget Amendment of \$108,010.01 to increase the Administrative Assistant Position Salary in Public Engagement Department to 45,000, creation of a new position in the Finance Department for Accounting Assistant for \$45,000 and Acting Director of Human Resources for \$55,000 to be deducted from Public Works Department and \$63,010.01 from Economic Department Housing Trust with the sale of the properties. The motion carried and was unanimously approved by the City Council.

3. REPORTS:

3.1. Mayor's Report

- Mayor Grant stated that the City of Seat Pleasant is considered a leader amongst surrounding municipalities.
- We are listed in the Board of Trades and they asked the City to come on-board as a member displaying the Smart Cities.
- We have many people interested in Seat Pleasant, we have been recommended by the Governor of Maryland as an Opportunity Zone. The longer the money sits in the opportunity zone, it reduces the investors return.
- We are still promoting the sale of the subscriptions and awaiting the USDA for approval to move.
- This is a process that will not come to fruition overnight. We are on the right path with the Smart City Shared Hub.

3.2. City Administrator Report

- Mrs. Wallace stated the variance request for 503 67th Avenue for driveway and pavers will consider the recommendation from the city.

- The trash receptacle concern on Greig Street is being monitored by the Public Works Department. The administration is looking to get the smart trash can, as well as the collaboration grant opportunity to the residents.
- We had several matters go before the unemployment administration.
- The Fiscal Year 2016-2017 Audit is being finalized. They will be moving into the FY2018 Audit. The Treasurer is currently at the GFOA conference.
- Mrs. Wallace reviewed and edited the Police Department Annual Report, to request the statistical data to be included.
- Toured the city with the NCC Inspector concerning glaring property maintenance concerns.
- Seat Pleasant Day for 2018 was a success. We had vendors that were very happy and interested in returning next year.
- The Economic Development Department is currently purchasing and renovating the vacating properties in the City. They recently closed on three properties. They are completing the repairs on 6212 Addison Rd to be marketed for sale soon. They had several meetings regarding the Good Food Market.
- The Public Works Department has two employees trained in removing trees free to the City. They are investigating the purchase of the Big Belly trash-cans for the City.
- The K-9 dog passed his exam, and the trainer Officer Loving passed the training as well.
- The monthly report from the Finance Department to include the cash investments, trial balance.
- We have sent notification to our residents regarding the yard waste days being changed.
- Councilmember McCarthy inquired about the trash can that we were contracted to receive, but had not received.
- Mayor Grant stated that the residents need to include the request in the App or call City Hall to request a trash can. We are entitled to receive fifteen trash-cans per month. The Public Works Department is tracking the request by adding the individuals on the list.
- Councilmember McCarthy requested for the information to be put together for distribution. Mayor Grant stated that it will go into the Newsletter.
- Councilmember Porter inquired if the Public Works Department will be trimming the trees in the City.
- Councilmember Jones wanted to know if the residents can use the tree trimmer services by the City for a fee?

- Mayor Grant stated that the services can be offered for a fee to residents.

3.3. City Council Committee Reports

- Councilmember Love stated that the SPICE will be set-up as an S Corporation to encourage investment in the City of Seat Pleasant. The S Corporation is treated for Federal tax purposes as a passthrough corporation, and a business or tax account cannot be taxed.
- The S Corporation structure protects the shareholder. Creditors cannot pursue the personal assets or business accounts. The interest in a S Corporation can be transferred.
- The City Council requested for the read document to be provided to the Council Clerk to be given to Mrs. Lanham to be added into BoardDocs.
- Mr. Ayu read the of the list S Corporation that are either owned by the Federal Government or City's.
- Councilmember Love stated that S Corporation can only have one class of investors and there are some disadvantages.
- Councilmember Porter stated that the advantages out-weighs the disadvantages.
- Council President inquired if there will be a board of directors? Mayor Grant stated that the legislation approved by the City Council has three board of directors. Mayor Grant stated that the city cannot sell subscription, but the entity can.
- The deductible of donations for SPECDC is non-profit organization. The benefit is to be recognized by the IRS, the deductions and donations can be deducted on your personal or business taxes, the corporation can seek grants, which require the non-profit to be registered as a 501-C3 Corporation. Non-profit corporation provides the founders protection.
- Good Food Market was given to May 1, 2018 to verify if the County will be providing them with the resources. The County is stating they need documentation from the City for them to consider.
- Mr. Ayu stated that the only scenario will be for the City to contribute the money and own 40% of the grocery store. The space in the city is vacant and four times larger than the store in the District.
- Mr. Ayu stated that the Merrill Lynch will be managing the cash management account. We want to engage with Merrill Lynch to attract investors. The City currently has 1.3 Million in investments in various accounts. The recommendation is not necessary to spend the money, but to transfer from investment account to another investment account.
- The explanation from Councilmember Love was to explain the S Corporation.

- Councilmember McCarthy inquired how would the budget amendment appear with the money just being transferred from one account to another.
- Mrs. Lanham stated that the request can be made by Resolution, as the monies aren't in the city's operations budget.

4. LEGISLATION

4.1. Resolution R-18-17 Approval of Application and Receipt of Funding from MEA for Fleet Voucher Program was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018. It was motioned by Councilmember Jones and seconded by Councilmember Love to approve Resolution R-18-17. The motion carried and the Resolution was unanimously approved by the City Council.

4.2. Resolution R-18-18 Approval of Application and Receipt of Financing for Community Legacy Grant was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018. It was motioned by Councilmember Jones and seconded by Councilmember Sistrunk to approve Resolution R-18-18. The motion carried and the Resolution was unanimously approved by the City Council.

4.3. Resolution R-18-20 Approval of Williams Archer & Archer Contractor, LLC for Property Renovations was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018. It was motioned by Councilmember Porter and seconded by Councilmember Jones to approve Resolution R-18-20. The motion carried and the Resolution was unanimously approved by the City Council.

4.4. Charter Amendment Resolution CA-18-02 City Administrator and City Treasurer was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018. It was motioned by Councilmember Sistrunk and seconded by Councilmember Love to approve Charter Amendment Resolution CA-18-02. The motion carried and the Charter Amendment Resolution was unanimously approved by the City Council.

4.5. Charter Amendment Resolution CA-18-03 Purchasing and Contracts was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018. It was motioned by Councilmember Jones and seconded by Councilmember Love to approve Charter Amendment Resolution CA-18-03. The motion carried and the Charter Amendment Resolution was unanimously approved by the City Council.

4.6. Resolution R-18-30 Purchasing and Contracts was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018. It was motioned by Councilmember Jones and seconded by Councilmember Sistrunk to approve

Resolution R-18-30. The motion carried and the Resolution was unanimously approved by the City Council.

4.7. Ordinance O-18-12 Amendment of Chapter 10-Code Enforcement Officers was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018.

4.8. Ordinance O-18-13 Amendment of Chapter 14-Departments and Committees was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018.

4.9. Ordinance O-18-14 Establishment of a New Chapter 68-Commercial Business District was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018.

4.10. Ordinance O-18-15 Adoption of Fiscal Year 2018-2019 Budget was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018.

4.11. Ordinance O-18-16 Amendment of Chapter 160-Yard Sale was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018.

4.12. Ordinance O-18-17 Amendment of Fiscal Year 2017-2018 Budget was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018.

4.13. Ordinance O-18-18 Amendment of Chapter 39-Purchasing was introduced by the City Council and read by the City Clerk on Monday, May 7, 2018.

5. UNFINISHED BUSINESS

5.1. None

6. NEW BUSINESS

6.1. June Public Session Meeting Date

- The City Council agreed to change the Public Session Meeting date for the month of June to Monday, June 18, 2018 due to the MML Summer Conference.

6.2. Approval of Compliance Inspector Job Description

- The Compliance Inspector Job Description was read by the City Clerk. It was motioned by Councilmember Jones and seconded by Councilmember Love to approve the Compliance Inspector Job Description. The motion carried and was unanimously approved by the City Council.

6.3 Approval of Retainer Fee for SPICE Law firm

- Mr. Ayu explained the purpose of the retainer fee from Klein Hornig, LLP will be able set up the 501-cC3
- It was motioned by Councilmember Love and seconded by Councilmember Jones to approve the \$5,000 retainer fee for Klein Hornig to represent the S.P.I.C.E. from Contractual Services Cost Center. The motion carried.
- FOR: Charl Jones, Gloria Sistrunk, Hope Love, Kelly Porter, Reveral Yeargin
- Abstain: Shireka McCarthy

6.4 Approval of Shipley and Horne for to SPECDC

- Mr. Ayu stated that Shipley and Horne firm that has been in the county for a long time. They do not require a retainer a fee and will be billed at \$75.00 per hour.
- It was motioned by Councilmember Love and seconded by Councilmember Jones to approve Shipley and Horne to represent the SPECDC. The motion carried and was unanimously approved by the City Council.

6.5 Approval to provide \$300,000 from Economic Development Housing Trust and Revolving Loan Fund for Good Food Markets

- Mr. Ayu stated that the term sheet attached to the document for the grant/credit advancement for the loan. It states \$900,000, but will not need \$900,00. We are offering them \$300,000.
- It was motioned by Councilmember Jones and seconded by Councilmember Love to approve the payment of \$300,000 from Economic Development Housing Trust and Revolving Loan Fund to Good Food Markets. The motion carried and was unanimously approved by the City Council.

6.6 Approval of Purchased Properties Housing Renovations

- Mr. Ayu stated that the Housing Trust and Revolving Loan Fund has \$380,000 and we decided not to purchase any more properties for the remaining of the year.
- It was motioned by Councilmember Jones and seconded by Councilmember McCarthy to approve \$77,000 for the renovations of the purchased properties within Seat Pleasant through the Economic Development Housing Trust. The motion carried and was unanimously approved by the City Council.

6.7 Approval to Bid and Purchase Properties at Tax Sale Auction in Seat Pleasant

- Mr. Ayu stated that there are about 22 properties that the City is looking to bid within the City of Seat Pleasant. The bid ends May 14, 2018. If the properties went to tax sale we will need to pay \$82,211.12, to acquire the properties through tax sale.

- Mayor Grant stated that they had identified one house that is about to be in Foreclosure. The person is a senior citizen and suffer from Alzheimer. We believe the family members are not taking care of the parent. The person was employed by the City of Seat Pleasant. The family will be responsible for the rent to the City, and through Public Engagement offer some financial literacy courses on the importance of home ownership. If we go after the tax sales, we will be stabilizing our community and not have outsiders buy up the properties.
- Council President Yeargin inquired if the bid starts at the listed tax price? Mayor Grant explained that it is a bidding process and the numbers can increase.
- It was motioned by Councilmember Jones and seconded by Councilmember Love to approve the bid at a Tax Sale Auction for properties within Seat Pleasant not to exceed \$120,000 from Economic Development Housing Trust. The motion carried and was unanimously approved by the City Council.

6.8 Approval of Operations Manager Position Description

- The job description of the Operations Manager was read by the City Clerk.
- It was motioned by Councilmember Porter and seconded by Councilmember Jones to approve the new position of Operations Manager. The motion carried and was unanimously approved by the City Council.

7 ANNOUNCEMENTS

7.1 Master Plan Community Meeting, Wednesday, May 9, 2018, Seat Pleasant Activity Center, 5720 Addison Rd., Seat Pleasant, MD at 6:00pm-8:00pm

7.2 Public Session, Monday, May 14, 2018, Seat Pleasant City Hall-Council Chambers at 7:00p.m.

7.3 Ward II & Ward V Monthly Meeting, Monday, May 21, 2018, Seat Pleasant Activity Center, 5720 Addison Rd., Seat Pleasant, MD at 9:30am

7.4 Regular Work Session, Monday, June 4, 2018, Seat Pleasant City Hall-Council Chambers at 6:00p.m.

7.5 MML Annual Conference, Sunday, June 10-Wednesday, June 13, 2018, Ocean City, MD

7.6 Ward II & Ward V Monthly Meeting, Monday, June 18, 2018, Seat Pleasant Activity Center, 5720 Addison Rd., Seat Pleasant, MD at 9:30am

7.7 Ward III Prayer Breakfast, Saturday, June 30, 2018, Seat Pleasant Activity Center, 5720 Addison Rd., Seat Pleasant, MD at 11:00am

7.8 Ward Clean-Up for Ward I & II, Saturday, June 2, 2018 from 8:00am-3:00pm

7.9 Ward Clean-Up for Ward III & IV, Saturday, June 16, 2018 from 8:00am-3:00pm

7.10 Ward Clean-Up for Ward V, Saturday, June 23, 2018 from 8:00am-3:00pm

ADJOURN-The meeting was adjourned at 10:04p.m.

Submitted by,



Dashaun N. Lanham, CMC
City Clerk

APPROVED 07/09/18